WHAT THE WORKERS THINK OF BETTERMENT PLANS

Survey of Many Factories in the East Shows Employees Rejecting Employers' Efforts to Improve Their Condition Because the Motive Is Misconstrued---Contentment and Prosperity Observed in Plants Where Education Has Been Effective

By MAJOR SHERMAN M. CRAIGER.

WHAT is on the mind of the American worker? I refer to the fifteen millions of men and women in industry, as well as to their fellow workers on our farms. What do they think about you and me, and of the interests, more or less varied, that are of concern to us? Do they accept all or part of the view that we may hold in regard to life, acquiescing in what Fate and Fortune brings to them, and making the best of their powers and capabilities? Is the existing order satisfactory to them, or do they entertain a very different idea as to what the world should be, and are they striving to make it so? What is it that they want most?

After twenty months of more or less personal contact with thousands of industrial workers in the States of New York and Massachusetts, and going in and out among them freely, I have been impressed with some very novel facts about the men and women who work with their hands. For a year I resided in a city of 75,000 people, the majority of whom toiled in shirt and collar factories, cotton and woollen mills and steel and rubber industries. They were largely American, with considerable groups of Irish, Italians, Poles, French Canadians and Armenians. Altogether they represent perhaps an average cross-section of American industry.

Childlikeness Is the Obvious Trait of Workingmen

If the reader is to endeavor to see them as I have he should at the outset lay aside his preconceived ideas and for the moment try to let me be his eyes. The most obvious trait of the workers, according to my observation, is their essential childlikeness. It was a shock to me at first to go into a factory and discover young men and women who could not read or write. They are not foreigners, but American born. They wear good clothes and make an average appearance. Their speech is not particularly ungrammatical. Fortunately there is not a large percentage of young people who are illiterate.

It is very much more common to find adults working in the mills who can neither read a newspaper nor write a letter. There is a surprising number who cannot sign their names. This element, too, is either of American birth or has resided in this country for a long time. There is nothing about their personal appearance to indicate their illiteracy, although one might not experience much difficulty in classifying them as factory workers.

I do not wish to imply that there are no foreigners in the mill towns who lack an education. Undoubtedly there are many. It is not possible for me to estimate their proportion, but it is no small one. They have enjoyed few, if any, educational advantages.

Until the selective draft law came into being during the world war the average reader contented himself with the reflection that, if illiteracy did exist in the United States, it was confined principally to the negroes in the Southern States and to immigrants in the Northern industrial centres. There was a widespread ignorance of the actual conditions and no general manifestation of interest in them. It was a revelation to the world when the examination of men drafted for military service indicated that one American out of every four is illiterate.

Figures That Proclaim Our Crime of Illiteracy

I quote from a letter written by the Federal Commissioner of Education at Washington:

> According to the Federal census of 1910 there were in the United States 5,502,351 illiterate persons over 10 years of age. Illiteracy means in the census report inability to write. Of course, these persons are usually also unable to read. Of this number something more than four and three-quarter millions were over 20 years of age.
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> At the same time there were 3,089,723 over 10 years of age unable to speak English. Of course, they were also unable to read. This would appear to make a total of 8,592,074 persons over 10 years of age unable to read and write English. Possibly it should be remembered, however, that some of those reported unable to speak English were also included in the five and one-half millions of illiterates. Probably the census of 1920 will show a smaller number of illiterates and a larger number of persons unable to speak English.
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> The examination of men in the cantonments and camps indicated that 24.9 per cent. could not read and write well enough to read an English newspaper or write a letter. These men were between the ages of 21 and 31. This would indicate that something more than one-fourth of all the people over 21 years of age are unable to read a newspaper or write a letter. The total number of people over 21 in 1920 was probably about sixty-four millions. One-fourth of this would be sixteen millions.
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> The percentage of illiteracy, according to the 1910 census, was much higher in the Southern States, even among the white people. However, the percentage in the South is now much less, and in the North, where there is a large foreign population, much larger than in 1910.

What is the significance of these facts? Just this: That out of approximately 15,000,000 workers in industry and another 15,000,000 on the farms, more than half, or 53.3 per cent. are unable to read an ordinary newspaper, or write a simple letter. As there is no way in which we are able to reach them with the printed word, it is obvious that our forms of government, our laws, political institutions, culture and national life have a very uncertain meaning for these people. Where does the illiterate worker get his notions and what are they? The slightest reflection will suggest that his ideas are derived, in the main, from his more fortunate fellow who works beside him in factory and mill. This better educated workman at least can read and write. He may not be a fountain of wisdom, but he has enjoyed advantages which give him a certain superiority. Should we not take comfort in the hope that the literate workman will help to level up his less fortunate brother at the foot of the ladder?

Prof. William McDougall of the School of Psychology in Harvard College, in lectures before the Lowell Institute of Boston recently, studied the mental equipment, and to a lesser degree, the moral equipment, of the American public—the men and women who work in industry, on the farms and in business.

By and large, he said, we are a grammar school people, lacking the mental stamina to sustain as much as a high school education. In support of his contention he cited the results of an intelligence test conducted among many thousands of men examined in a district where the opportunities for schooling are relatively poor. The tests were not a matter of knowledge, but of innate mental ability. There were many illiterates among those examined, and a large proportion both of literates and those unable to read and write were negroes.

Prof. McDougall classifies the men in seven groups. In the first, or "A" group, are the men who have the ability to make a record above the average in college. Those capable of making an average record in college are classified in the second, or "B" group. In the next, or "C plus" classification, are what would be called low grade college material.

After that comes the fourth group, or "C" men, who are scarcely capable of finishing even a high school course. They constitute one-quarter of the whole. The fifth, sixth and seventh groups, constituting 45 per cent. of the whole, are the illiterates, sub-normals and defectives. These go out into the world without any book learning, or progress no further than the various grades of the grammar school. The percentages are as follows:

ONE HUNDRED MEN.

A	B	C Plus	C	C Minus	D	D Minus
4½	9	16½	25	20	15	10

It comes down to this: Seventy per cent., or almost three-quarters of our men, are incapable of a high school training. One-quarter of them are unable to read and write. This is the public to which has been committed the destiny of the nation under universal suffrage.

A Gilt Edged Offer of Help Turned Down by the Laborers

It is this preponderating element, too, which supplies such leadership as exists in our mills and factories. If blessed with an abundance of common sense it is conceivable that the equivalent of a grammar school education might result in fitting a workingman to become a passable citizen, but it leaves him wofully incapable of exercising a very inspiring leadership for his illiterate comrades. He may be, and often is, a first class worker, but his powers of comprehension otherwise are severely limited.

With this in mind let us look in on a meeting of the representatives of the employees in a large New England factory. This is one which manufactures motor vehicles. It is located in one of the largest and wealthiest cities of Massachusetts, where the school system is excellent. The community has churches galore and in every respect it is representative of the best in the State. The particular factory in question employs 2,500 men and women, all well paid and working under first class conditions.

The vice-president is present at this meeting to tell the employees of the management's wish to add to the attractiveness of their working conditions. It is proposed to give every man and woman of one year's tenure in their positions free life insurance in the sum of $500. There are no strings attached to the proposal, as the management will take all the necessary steps and pay the premiums. What is the pleasure of the meeting?

It was rather startling to hear the first delegate get up and say flatly that the workers didn't want to accept it. Another worker jumped to his feet and said: "When we're dead, we're dead. Let somebody else look after them that's left behind." To this frank, if rather heartless, declaration there was no dissenting voice. Another workingman got up and began a harangue about higher wages. If the management would pay them more money, it needn't worry about insurance. The men could look after themselves.

The difficulty with the vice-president was that he did not know his workers. He lived in a different world—that of general education, of familiarity with books, newspapers, of a common understanding and sympathy; in short, in a realm where people conceive themselves to be part of the community, and give and take. It never occurred to him that the men and women he employed were interested chiefly in themselves and in adding to their existing wages and pleasures.

"What? Vote for the boss to spend $25,000 a year to pay our insurance premiums? Never! This would be a fine excuse for him to keep wages low. Let him pay us more money and we will look after our own affairs." It was the chairman of the meeting who said this to me afterward.

I asked him how many of his comrades carried any insurance and he didn't know. My impression is that it was a very small percentage. When I suggested that the annual premium proposed to be paid by the company would, if distributed pro rata among the workers, add only $10 a year to their pay, he answered that it made no difference. It was the principle of the thing! They had no complaint about wages, but if the boss had any extra money to give away let him hand it over to them.

In walking through the factory I could not see that the average worker displayed any excessive interest in what he was doing. The motto was "Don't work too hard." In the main they lacked a feeling of responsibility. I should not say that they were of a low grade of intelligence, but of very rudimentary education. Their minds were not awake and their imagination sluggish.

It had not occurred to the chairman-employee that even if the company raised wages the men might not use the money to buy insurance or that it would be more expensive. He admitted he didn't know much about insurance, didn't carry any himself, as he was "a long ways from being dead yet!" His intellectual concepts reached scarcely farther than those of the grammar school. If he thought ahead at all it was to vacation or Christmas, which meant more spending and pleasure. As for looking at the facts of life squarely or trying to reach a goal or object in the world, this was beyond him.

Another Instance of Labor, But Under Excellent Conditions

Last summer I attended a picnic given by the management of a large textile mill in Central New York. They employ 7,000 people and pay excellent wages. For weeks the managers had striven to perfect the arrangements. A variety of entertainments were projected; there were to be sports, theatricals, music and dancing, followed by sandwiches, ice cream and soft drinks. On the afternoon appointed a great crowd assembled and joined in the fun. The affair had been carefully planned and everything went off well. It cost the management about $9,000.

There is no doubt but the younger element had a good time, and they showed it. The girls and older women were outspoken in their appreciation. One of the men, however, confided in me that he thought the company would have done better if it had given the money to the workers direct.

I am entirely ready to concede oftentimes that the managers of corporations themselves are largely responsible for the distrust shown by the employees. In one of the large cities of the Atlantic seaboard there is a public service corporation employing 10,000 men. It offered stock to the employees a few years ago on the basis of small weekly payments. The first issue was sold in this way at a price of $115 a share, the dividend rate at the time being 6 per cent. Subsequently a second allotment was put out to the men at $130 a share, the dividends having increased to 8 per cent.

To-day that stock is selling around $70 and the last dividend was at the rate of 4 per cent. There are employees who are still paying on shares subscribed for on the basis of $130! Naturally they are not pleased. On the whole, I should say that the workers are decidedly hostile in their attitude toward their employers.

"The corporation is robbing us!" declared one veteran worker to me. He went on in a tirade against his employers and Wall Street. A large number of the men continued their payments and received the stock. Others discontinued and lost. Obviously, the company was guilty of nothing more than atrocious judgment; but it is glaring instances like these which do much to arouse and fan the bad feeling between employer and employee.

It would be of the greatest benefit to the entire country if we had more ably managed corporations. I have visited over 100 mills, factories and transportation companies in the last couple of years, but out of this number I have discovered perhaps not more than four that impressed me as being 100 per cent. efficient, year in and out. This is a serious statement to make, but it is my deliberate conviction. Good business management is one of the rarest things in the world.

I would define it under four aspects. First, a body of managers and executives who are fundamentally good. Second, a complete understanding between employer and employee. In the third place, I put generous wages, and, lastly, excellent working conditions.

There is a transportation company in New York city which embodies all of these requirements.

"What kind of a company is it that you work for?" I inquired of a big, broad shouldered machinist in one of the shops. "Sure, the best in the country," was the answer. "Fine pay and white treatment." Another workman near by turned and said: "We can go in and see the president any time if things don't go right. And he's just Bill to us fellows, too!" From a third I learned that "the president had never lied to them."

Too few of our executives are really capable. They may expend on an average $30 each for hiring and firing employees, when the exercise of a little real brain power would not only get at the source of their troubles, but result in producing a body of satisfied workers, as well as save their employers thousands of dollars annually. The absence of a really intelligent and constructive policy often may be laid at the door of the board of directors, which perhaps is dominated by financiers who themselves are ignorant of what is on the worker's mind.

A few weeks ago I visited a large cotton goods mill in northern New York. Though this is an era when few factories are working full time, I found this one on a twenty-four hour a day basis for 1,200 of its employees, and possibly half as much for the 600 others. They were contented, even happy, and according to the president of the local savings bank, 75 to 80 per cent. of them were depositing a portion of their wages each week.

Phenomenon of a Mill Perfectly Conducted on Modern Plan

This marvellous phenomenon has left a very deep impression upon me. I have never seen a more highly efficient management anywhre, and question if any other plant in the United States can equal it. In the first place, this mill has a production ranging from 85 per cent. to even 106 per cent. Sounds like a fairy tale, doesn't it? But an examination of the production charts is proof. Ninety-five per cent. is very common. As for the 106 per cent., it is figured in this way:

"Many years ago," the manager told me, "we decided to scrap our old machinery, and we literally threw it out. We tried to look ahead to times when competition and other business conditions would demand really highly efficient results. What is our situation to-day?

"We use automatic looms, and a girl may oversee seven or eight of them. They are designed to run an extra half hour after the noonday whistle blows, and are long again when quitting time comes at 5 o'clock. Thus, although the operator has gone the spinning continues and we gain a full hour a day for each machine. So we can show a production of 95 to even 106 per cent.

"It follows that we can produce cotton goods for about 6 cents less than many of our competitors. Consequently, as far as we can see, our market is practically unfailing. It is true that last year we did shut down for three entire months. We believed a change was due. Instead of continuing to run on part time and possibly making goods which we should have to sell at a loss, we sold our last case of product and stopped short. I don't believe we had anything left on our shelves. Our stock of raw cotton was exhausted.

"We went to our employees and told them everything. Our relations with our people are unique. Some years ago we set aside $1,000,000 and built 1,000 homes for them. The latter are rented now, as ever, at a few dollars a month, so that the workers enjoy artistic, sanitary quarters on a fair basis.

"Moreover, we operate a company store, where we sell to them at wholesale prices, plus the bare cost of operation. In this way they buy their food and clothing economically. In addition, we purchase the output of a mine and sell coal at cost.

Hire Best Help Possible; Hold Them Responsible but Free

"When the time of our shutdown approached I called the employees together and explained to them why it was unwise to make goods which we should have to sell later at a loss. Such a course would only delay our getting back to normal. It was a condition for which we had no responsibility whatever, and our people grasped it.

"I announced that any worker needing it could have credit at our store or coal pocket and that loans would be made to those needing cash. None need suffer. We would resume business probably in about ninety days.

"To make a long story short, everybody went away satisfied and sat tight. Some of our directors expected that we would lose $10,000, due to unpaid loans, during the shutdown. Nothing of the kind happened, and since we resumed operations every employee who bought from us on credit or borrowed money has repaid us in full."

When I tried to get at the secret of this manager's methods I found him very reluctant to talk. Finally he said:

"I employ the very best men and women I can get. If it is possible for me to teach them anything about their jobs I do so, then let them alone. They are held strictly responsible for their department, but their hands are free. My real job is to think."

This sums up the entire problem. Where such a condition exists in industry the workers may be illiterate and imperfectly educated, but they are contented and even happy. What is more, they have a direct incentive to improve themselves and their progress is in marked contrast with that of their less fortunate fellows, whose lives are passed in industrial establishments which are only one-half or two-thirds efficient.

An Ideal Plant Where Employees Are Proud and Happy

Down on Long Island is a notable publishing house. In the ten years or more that it has been growing to its present status of national and international importance it has been blessed with every quality of super-management. Its executives are fundamentally excellent; it has never deceived its employees; the wages are the highest in the trade, and as for working conditions they are ideal. Think what it would mean to pass your business life in a $3,000,000 plant, embodying every modern device for the comfort and convenience of employer and employee! And withal to be situated in a fifty acre park, laid out with landscape effects.

"What do you think of your job, anyway?" I asked an intelligent fellow on one of the big presses. "Say, this is the swellest place in America!" he answered. "We don't need no union here. Our bosses are smart. Work all the year round, and good money too. Two weeks' vacation with pay. I own stock in this company. Been getting 6 and 8 per cent. for nine years. The wife and I are buying a home too, as the boss helps all as wants to get ahead. He lets the savings bank take care of our money by sending it over to Mineola each week. And he's put in the thrift bond investment system so we can save a dollar or two out of our pay and own a $100 security at the end of the year. I expect to be an assistant foreman next year. We never take on no outsiders for the higher jobs."

From the worker's point of view there is nothing to be added to this little sermon. It comprehends the complete economic bible. What the average employee is thinking of is steady work, not revolution.

Next, the worker wants to look up to his employer, but this means real brains in the management. No impractical dreamers, theorists or cowards have any place there.

Good wages and the opportunity to save money are axiomatic. Without them the worker lacks the wherewithal to make a beginning in real living, and consequently cannot start to progress.

Out of improved working conditions there is developed a feeling of contentment and a deepening sense of responsibility. Given these simple factors and American business men can be confident of solving their problems. Let us study our man power and ourselves, for we can then develop our natural resources and peacefully conquer the world.